

Economic Impact Statement
LSA Document #12-157

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses**Description of Rule:**

Under [IC 16-19-3-4](#), ISDH has the authority to adopt rules in order to protect or improve public health in the state, including rules concerning the disposition of excremental and sewage matter. Under [IC 16-19-3-5](#) (formerly [IC 16-1-3-22](#)), ISDH may adopt rules for the efficient enforcement of any of the provisions of that article.

The Indiana State Department of Health is preparing revisions to [410 IAC 6-8-10](#), Commercial On-Site Wastewater Disposal. Because of the extensive reorganization of the rule, it will be promulgated as [410 IAC 6-10.1](#). This rule replaces [410 IAC 6-10](#), which was promulgated in 1988, and Bulletin S.E. 13, On-Site Water Supply and Wastewater Disposal for Public and Commercial Establishments, adopted in 1988.

The purpose of the revision is four fold: 1) to update administrative portions of the rule, 2) to roll the technical aspects of ISDH Bulletin S.E. 13, On-Site Water Supply and Wastewater Disposal for Public and Commercial Establishments into the rule (this document is incorporated by reference in the current rule), 3) to provide updates to the technical portions of the commercial on-site sewage program that have already been implemented by program staff, and 4) to eliminate unwarranted disparities between commercial and residential on-site sewage system technical requirements.

[410 IAC 6-10](#) will be repealed on the effective date of the new rule, which will be late 2012 or early 2013.

Economic Impact on Small Businesses**1. Estimate the number of small businesses, classified by industry sector, that will be subject to the proposed rule.**

[IC 4-22-2.1-4](#) defines a small business as any person, firm, corporation, limited liability company, partnership, or association that: (1) is actively engaged in business in Indiana and maintains its principal place of business in Indiana; (2) is independently owned and operated; (3) employs one hundred (100) or fewer full-time employees; and (4) has gross annual receipts of five million dollars (\$5,000,000) or less.

Tank Manufacturers – 44

On-Site System Installers – 500

2. Estimate of the average annual reporting, record keeping, and other administrative costs that small businesses will incur to comply with the proposed rule.

There are no record keeping or reporting requirements in the current rule and none are being added.

3. Estimate of the total annual economic impact that compliance with the proposed rule will have on small businesses subject to the rule.

Tank Manufacturers – no fiscal impact

On-Site System Installers – no fiscal impact

4. Statement justifying any requirement or cost that is imposed on small businesses by the rule; and not expressly required by the statute authorizing the agency to adopt the rule; or any other state or federal law.

No fiscal impact; therefore, not applicable.

5. Regulatory Flexibility Analysis**Other factors considered:****A. Establishment of less stringent compliance or reporting requirements for small businesses.**

There is no change in compliance standards; however, to lessen the standards would not be effective in decreasing the potential harm caused by failing on-site sewage systems.

B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

There are no schedules for compliance as there are no changes that affect small business.

C. Consolidation or simplification of compliance or reporting requirements for small businesses.

The merging of the contents of what is now [410 IAC 6-10](#) and Bulletin SE 13 provides simplification, as all information will be in one document. Also, with updated standards in written format in one document, there will be more efficiency and less misinterpretation of the requirements.

D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

Operation or design standards are necessary to achieve the benefits of the rule.

E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule.

The state needs a uniform system to prevent the harms caused by failing on-site sewage systems so small businesses cannot be exempted from the requirements of the rule. As stated above, small businesses will not bear a cost increase from this rule change.

Conclusion

The changes proposed will not have a financial effect on the operations of small businesses in Indiana.

Posted: 06/20/2012 by Legislative Services Agency

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